



## **WE'RE LOSING OUR COMPETITIVE ADVANTAGE**

As the performance of our nation's transportation system deteriorates, the U.S. risks losing one of our most important advantages over our global competitors: an efficient transportation network that allows businesses to locate wherever they want and to reach customers any time they want. Congestion and unreliability are threatening this critical economic freedom.



## **GUIDING PRINCIPLES FOR A NEW APPROACH**

None of the transportation problems our nation faces are insurmountable, but a new approach to Federal surface transportation policy is required if we want to reduce congestion and improve highway safety. This new approach should be built upon the following principles:

### **Increase State flexibility.**

Remove Federal restrictions that add limited value and simply frustrate States' attempts to implement their own transportation programs.

### **Simplify Federal programs and processes.**

Promote fewer, more focused Federal programs that simplify process requirements and target congestion reduction and highway safety.

### **Make decisions based on merit.**

Federal funding priorities should be given to merit-based cost-beneficial projects, not pet political projects.

### **Encourage innovation.**

Reward innovative jurisdictions that are willing to use creative approaches and new technologies to tackle congestion and highway safety.

### **Promote public-private partnerships.**

Reduce existing impediments and provide incentives to States willing to partner with the private sector to develop transportation projects. These partnerships can supply a vast amount of investment resources, add discipline to the project selection process and promote innovation.

### **Direct pricing of road use.**

Permit States and localities to implement direct, cost-based pricing of road use on all highways, including Interstates. Costs can include the costs of congestion, maintenance, construction or reconstruction and environmental impacts. Leverage revenues to fund major system improvements and attract additional investment.

### **Empower the customer.**

Provide users of the transportation system a stronger role in transportation investment decisions and encourage highway owners and operators to provide travel time guarantees along heavily traveled routes.

## **HOW DO I LEARN MORE?**

For more information, visit:

**[WWW.FIGHTGRIDLOCKNOW.GOV](http://WWW.FIGHTGRIDLOCKNOW.GOV)**



# **A Fork in the Road**

**How our surface transportation policies have us headed in the wrong direction . . .**



**. . . and what we need to do to get back on course**

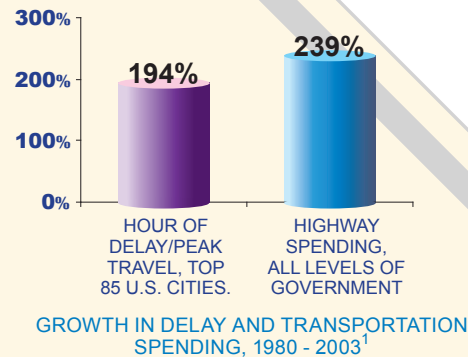
**"Our nation has never had a better opportunity to tackle congestion and improve highway safety. But we must have the political courage to act boldly and acknowledge that status quo ideas will produce status quo results."**

Mary E. Peters  
Secretary of Transportation  
June 2007

# WHAT'S WRONG WITH OUR TRANSPORTATION POLICIES?

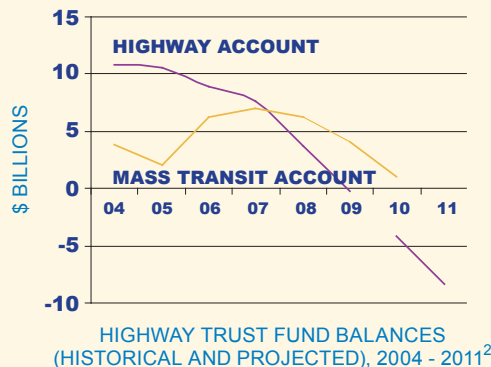
## MORE SPENDING, MORE TRAFFIC

Despite a 239 percent increase in highway spending over the last 25 years, congestion has nearly tripled in U.S. metropolitan areas. Our system is not only more congested, it is significantly less reliable than it was even 10 years ago. Delays and congestion result in families and businesses not being able to plan their arrivals and departures, consuming precious time and money.



## THE END OF THE FINANCIAL ROAD

Sustained spending in excess of gas tax revenues means the Highway Account of the Highway Trust Fund will likely go into deficit in 2009. While congestion has grown, trends show consumers are purchasing more hybrid vehicles and driving fewer miles—meaning even less revenue than previously projected.



## FUNDING TRANSPORTATION VS. REDUCING GAS CONSUMPTION

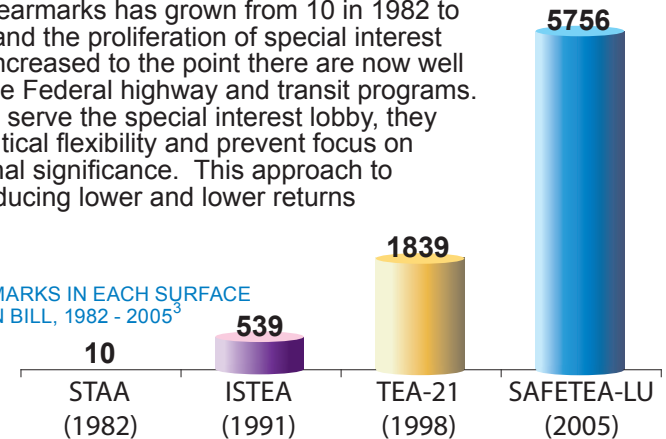
Instead of Federal energy, environmental, and transportation policies working together, they now directly contradict each other. We have reached a national, bi-partisan consensus to reduce gasoline consumption to promote energy security and a cleaner environment. Yet, our system for funding transportation—a charge per gallon of fuel purchased—is reliant upon drivers using more gas. This inconsistency makes traditional gas taxes an increasingly unsustainable revenue source.



## SPECIAL INTERESTS VS. PUBLIC INTEREST

The number of earmarks has grown from 10 in 1982 to 5,756 in 2005, and the proliferation of special interest programs has increased to the point there are now well over 50 separate Federal highway and transit programs. While earmarks serve the special interest lobby, they rob States of critical flexibility and prevent focus on issues of National significance. This approach to investing is producing lower and lower returns for taxpayers.

NUMBER OF EARMARKS IN EACH SURFACE TRANSPORTATION BILL, 1982 - 2005<sup>3</sup>



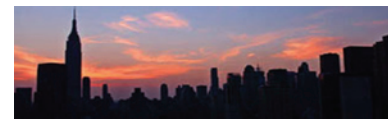
## PROCESS WITHOUT PURPOSE

Current Federal requirements force States to comply with complex bureaucratic processes that are not tied to overall congestion reduction or safety goals. It often takes well in excess of 10 years to advance a major project from concept to completion. This delay drives the overall project cost up by 10 percent each year. When project costs rise, States must use even more of their precious transportation dollars to complete the process.



## NO ACCOUNTABILITY TO DRIVERS

Because highway users are not customers who pay directly for services, they have little recourse when they experience congested and unsafe roads. Comparable failure would never be tolerated in other essential services like electricity, water and telecommunications.



The 2003 New York City blackout.



Daily rush hour in your city?

<sup>1</sup> Sources: FHWA Highway Statistics (1982 & 2003); FHWA 2006 Conditions & Performance Report; Texas Transportation Institute 2005 Urban Mobility Report.

<sup>2</sup> Source: FY08 President's Budget Projections.

<sup>3</sup> STAA: Surface Transportation Assistance Act of 1982; ISTEA: Intermodal Surface Transportation Efficiency Act of 1991; TEA-21: Transportation Equity Act for the 21st Century; SAFETEA-LU: Safe Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users.